



Thailand: Standards and Conformity Assessment

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Thailand: Standards and Conformity Assessment – General Overview

This market research report is one of a series produced by the U.S. Commercial Service with practical information for U.S. companies about standards and conformity assessment issues affecting U.S. exporters in specific sectors, to improve their ability to access foreign markets. Existing standards-related market research such as the Country Commercial Guide standards sections offers a good introduction to the major standards and conformity assessment institutions. These reports build on this information by delving into conformity assessment procedures as they pertain to specific sectors in specific national markets.

I. General Overview

The following report was prepared to address the latest trends in conformity assessment in Thailand. Specific focus has been given to the following sectors: telecommunications equipment, computer software, medical equipment, cosmetics and toiletries and aircraft and parts. The information presented in this report is based on first person interviews with Thai government and private sector contacts in the standards and conformity assessment area.

Thailand's export based economy ensures that compliance with international standards is very important to companies that manufacture here. For example, there are now 67 Thai food processors that have been certified as being in compliance with the Hazard Analysis and Critical Control Point (HACCP) system. There are a further 68 food and beverage companies who are in compliance with Good Manufacturing Practices (GMP) standards.

As the Thai government recognizes the importance of international standards they take a keen interest in ensuring imports into Thailand meet Thai standards, most of which are mandated by regulations and not market-dictated.

II. Main Bodies

The main standards developing organization is the Thailand Industrial Standards Institute (TISI). TISI develops both mandatory and voluntary Thai Industrial Standards (TIS's). TISI publishes a work program once every two years with its plan for standards development for Thailand.

The National Accreditation Council (NAC) of Thailand is the part of TISI that administers the accreditation system in Thailand. Through the process of the Thai accreditation system, the National Accreditation Council gives the formal recognition that a conformity assessment body

is competent to carry out specific functions or tasks according to relevant international requirements.

TISI is empowered to give product certifications according to established Thai standards and is an accredited body for ISO and HACCP certifications in Thailand.

III. Product Certification Process

The government of Thailand requires a compulsory certification of sixty products in ten sectors including: agriculture, construction materials, consumer goods, electrical appliances and accessories, PVC pipe, medical, LPG gas containers, surface coatings, and vehicles. Certification of other products is on a voluntary basis. Industrial products that have TISI's certification are generally regarded as having high standards and good quality. TISI has certified more than 2,000 products on a voluntary basis.

Thailand is part of the ASEAN Economic area, and as part of it, mutual recognition agreements (MRA) become effective for compulsory standards of certain electrical products traded between Thailand, Malaysia and Singapore. Eligible products for MRA must meet the IEC or its equivalent standards.

IV. Contact Information

Thailand Industrial Standards Institute (TISI) is the main standards developing organization in Thailand.

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Fax: (662) 202-3415
E-mail: thaistan@tisi.go.th
Website: <http://www.tisi.go.th>

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The National Accreditation Council (NAC) is Thailand's accreditation body (see Conformity Assessment above). Contact information for the NAC is:

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Mr. Chaiyong Krittapholchai, Director

Thailand: Standards and Conformity Assessment –Telecommunications Equipment

This market research report is one of a series produced by the U.S. Commercial Service with practical information for U.S. companies about standards and conformity assessment issues affecting U.S. exporters in specific sectors, to improve their ability to access foreign markets. Existing standards-related market research such as the Country Commercial Guide standards sections offers a good introduction to the major standards and conformity assessment institutions. These reports build on this information by delving into conformity assessment procedures as they pertain to specific sectors in specific national markets.

I. Overview

With the wave of new information and communication technologies, the Thailand ICT market is expected to grow around 17 percent this year to a value of \$ 12.64 billion.

In late 1990s Thailand's cellular phone service grew significantly and overtook the number of subscribers of the fixed line telephone service in 2001. Given the continuous fall in handsets prices and attractive sales promotion campaigns. It is no surprise that the cellular phone users are expected to reach almost 40 million by the end of 2006. The market is presently dominated by GSM-based technologies. Previously, the competition in the telecom sector tends to be on non-price area. Major operators, particularly mobile operators, compete using product differentiation through service quality, advertising and value-added services. However price competition is now heating up. Fixed-line operators drastically cut down the price for long distance and international calls. For mobile, the price particularly for pre-paid option, went down to as cheap as two cents per minute.

While mobile voice services are now a commodity in a mature market, operators need to broaden their offerings to win customer loyalty, retain their customer databases and cash in on the huge potential for new revenue. Non-voice technology such as Short Message Service (SMS) is much in demand and is now improved to be more attractive and innovative. Mobile music is another service that generated revenues for the operators approximately \$ 18.34 million in 2006 and will reach \$ 21.19 million and \$ 23.92 million in 2007 and 2008 respectively. Demand for access to wireless non-voice communication grew by 30% in 2005 worth \$350 million. The major driving force was GPRS enabling mobile handsets and the growth of mobile phones and internet users.

II. Main Bodies

Per the Telecommunication Business Act of 2001, the Thai National Telecommunication Commission (NTC) sets technical standards and conformity assessment procedures, licenses conformity assessment bodies and performs conformity assessment for telecommunications equipment.

The main objective of NTC standards setting is to ensure interoperability, protect network integrity, protect consumer safety and prevent interference to the national telecom network.

III. Product Certification Process

Conformity assessment regulations and procedures in this sector are mandated by regulation as opposed to being market driven.

The NTC provides for two methods of conformity assessment, the first is to conduct testing and certification through the NTC and their labs. The second is to use one of the foreign accredited labs approved of by the Thai government, (ILAC labs).

Currently licensing and product certification is free of charge although the NTC does envision a modest user fee to be imposed in the near future. The NTC claims that certification and subsequent licensing only takes 10 working days from the time of first contact.

As part of their periodic reviews, the NTC has proposed a change to the way they approach conformity assessment regulations.

If their proposed legislation goes through this summer (2007) they will classify degree of compliance based on risk assessment and regulatory necessity. In addition, they will rely more on post-market monitoring/surveillance rather than pre-market approval and they also plan to introduce SdoC (Supplier's Declaration of Conformity). If these changes go through it will allow conformity to be done by a third party, which should ease the burden on industry.

Product Certification: If a product is subject to conformity assessment, the importer must have testing by a NTC lab or an accepted foreign lab, they must then apply for a registration (Class A) or approval (Class B) from NTC, NTC will then provide a label which must be displayed on the equipment.

IV. Contact Information

Office of the National Telecommunication Commission
Thongtaweeep Khantikul
Executive Director
Telecommunication Engineering and Technology Bureau
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Other resources – testing laboratories, product certifiers, etc

U.S. exporters wishing to have more information about this, or other aspects of exporting to Thailand, should contact:

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Thailand: Standards and Conformity Assessment – Computer Software

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I. Overview

The Thai software industry enjoyed growth rates of 30% over the past decade, this rate of growth has slowed to 12-15% according to the Thai Software Association. As such, both the private sector and the government are collaborating to develop policies to attract greater foreign investment in the software sector. There is a general consensus among industry and the government that any standards in the software sector should remain voluntary.

II. Main Bodies

The Association of Thai Software Industry is the umbrella organization that coordinates voluntary standards for the software sector in Thailand. The association works with the Thai government and the Thai Federation of Industries to develop quality standards and assist Thai firms in adhering to international norms in software development.

III. Product Certification Process

There is currently no product certification for software products in Thailand.

IV. Contact Information

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U.S. exporters wishing to have more information about this, or other aspects of exporting to Thailand, should contact:

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Thailand: Standards and Conformity Assessment –Medical Equipment

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I. Overview

Thailand relies on the import of medical devices, especially sophisticated, higher-end devices. Local production of medical devices in Thailand is limited to less sophisticated devices, due mainly to the limited number of qualified researchers and limited investment in R&D required to produce more sophisticated devices. Locally produced products include reagents, simple disposable test kits, disposable syringes, artificial legs and other orthopedic accessories, and other simple disposable items.

Public hospitals are still major users and buyers of medical devices and supplies in Thailand. They account for approximately 60 percent of total purchases. Private hospitals have approximately a 40 percent share of the demand. The Ministry of Public Health reported that in 2005 there were 978 public hospitals with a combined 105,600 beds. There were 356 private hospitals with a combined 35,900 beds.

Medical devices are normally imported by, and brought to the market through, agents and/or distributors. Generally, an agent is appointed for a limited period of time, with the agreement renewable at the end of each term. Normally, the agent will keep stocks of low-priced items only. Stocks of large or more costly items will be ordered on an as-needed basis. The agent's role not only covers marketing of the medical devices, but also customs clearing with the Thai Customs Department and taking necessary steps to arrange for product registration and import authorization from the Thai Food and Drug Administration (FDA). Thai FDA regulates importation of medical devices and accessories. Product registration with the Thai FDA is required prior to importation.

II. Main Bodies

Conformity of medical devices is mandated by the Medical Device Act of B.E. 2531 (1988) and regulated by the Food and Drug Administration (Thai FDA), Ministry of Public Health.

III. Product Certification Process

For product certification purpose, the Thai FDA classifies medical devices into three classes: General Medical Devices, Pre-marketing Notification, and Pre-marketing Approval.

General Medical Devices (Category I Devices): producers, importers, or distributors of the Category I Devices do not need to have a license, but they are required to submit a Certificate of Free Sale (Certificate to Foreign Government) issued by the health authority or relevant government body in the country of manufacturing.

Pre-marketing Notification (Category II Devices): producers, importers, or distributors of the Category II Devices are required to submit details on product descriptions, usage, specifications, labeling, and name of producers and distributors to the Thai FDA. In addition, Thai FDA requires a Certificate of Free Sale (Certificate to Foreign Government) issued by the health authority or relevant government body in the country of manufacturing.

Pre-marketing Approval (Category III Devices): producers, importers, or distributors of the Category III Devices are required to have a license to produce, import, or sales of the devices. Thai FDA requires that the licensee submits information on production process, import, sales, and adverse reactions of the devices to the Thai FDA.

IV. Contact Information

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Thailand: Standards and Conformity Assessment – Cosmetics and Toiletries

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I. Overview

The overall growth rate of the cosmetic products market in Thailand in 2008 is expected to be at 12 percent, 3 percent more than the year before. The increasing growth is considered to be significant considering the continuing economic slowdown and the prolonged unstable political situation in Thailand. High quality, international branded cosmetic products are expected to do better and may have a growth rate between 15-20 percent due mainly to good brand image, brand loyalty and perception of good quality. Products from the United States are highly regarded and lead the imported market. Competition from France, Japan, the United Kingdom and Germany is getting stronger. Perfume from France remains the market leader in Thailand followed by perfume from the US. Hair care and make up products maintained a single digit growth (at 5 and 7 percent respectively), while skin care and perfume showed better growth at 17 and 15 percent respectively. Products such as anti-wrinkle cream, anti-aging facial cream, and whitening facial and body lotion have good growth potential. They are classified as problem-solving cosmetic products that suit customers' needs. More cosmetic products especially designed for men are becoming popular. Thailand remains a strong manufacturer and exporter of shampoos and other hair care products, color cosmetic and skin care products. Direct sales are the preferred distribution channel and account for 60 percent of the total market

Importation of cosmetic products is controlled by the Thai Food and Drug Administration of the Ministry of Public Health. A product registration is required prior to the actual importation and marketing of the cosmetic products. The registration process is not complicated, but may take one to two months time. The basic documents required by the Thai FDA include a notarized Certificate of Free Sale or a Certificate of Manufacture issued by the manufacturer in the manufacturing country (United States) and notarized by a Notary Public in the U.S., and a full

ingredient/composition listing issued by the manufacturer and notarized by a Notary Public. Both documents have to be legalized either by the Thai Consulate in Washington, DC or the American Embassy in Bangkok, Thailand

II. Main Bodies

Conformity of cosmetic and toiletry products is mandated by the Cosmetic Act of B.E. 2535 (1992) and regulated by the Food and Drug Administration (Thai FDA), Ministry of Public Health.

III. Product Certification Process

Thai FDA classifies cosmetic and toiletry products into three categories according to the ingredients used: Controlled Cosmetics, Specially Controlled Cosmetic, and General Cosmetic.

Controlled Cosmetics are products that contain controlled ingredients as specified by Ministerial Announcement No. 8, 10, 11, 12, 13, and 19. They are required to notify the Thai FDA prior to being marketed.

Specially Controlled Cosmetics are products that contain 27 specially controlled ingredients as listed in the Ministerial Announcement No. 38. They are required to register with the Thai FDA before they can be marketed.

General Cosmetics are products that do not contain either specially controlled or controlled ingredients. Manufacturers do not require to apply for any approval prior to production from the Thai FDA. Importers are required to submit a Certificate of Free Sale issued by manufacturer, the health authority, and relevant government agencies in the country of manufacturing. In addition, a full ingredient listing issued by manufacturers is required.

IV. Contact Information

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Thailand: Standards and Conformity Assessment –Aircraft and Parts

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I. Overview

Standards for aircraft and parts are codified under Thailand's Air Navigation Act., B.E. 2497. The Act has been in effect for more than 50 years. It regulates the civil aviation industry including standards for the industry's related equipment: aerodrome equipment, navigation aids (both audio and visual electronics), lighting aids, aircraft and parts, and airport security equipment.

In general, the Thai regulations/standard are relatively old and outdated, although several amendments have been made, many are still insufficient to ensure their conformity with other internationally accepted industry standards. As a result, in some sections of the Thai regulations/standards, there are referrals to international standards such as those of ICAO's and FAA's. For example, if new equipment is procured but there is no Thai standard to support, DCA would use ICAO and FAA rules to justified whether or not the equipment is in compliance.

II. Main Bodies

Thai Civil Aviation standards are maintained by the Ministry of Transport's Department of Civil Aviation.

III. Product Certification Process

Thai standards in this industry are mandated by regulations under the Air Navigation Act. Equipment to be used in Thailand must have a license from the Thai Department of Civil Aviation. The license allows operators to use the equipment for a certain period, and there is a requirement under the license that the operator has to ensure the equipment is properly maintained. Failure to do so will result in a discontinue or revocation of the license

IV. Contact Information

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Acknowledgements:

This report was assembled after meeting with over 25 representatives from the Thai government and industry. We wish to thank them all for their information and cooperation. If you would like more detailed information on any of the sectors mentioned in this report or if you would like information on standards in another industry sector in Thailand please contact;

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